Management of Peerless General Finance and Insurance Ltd.

2517. SHRI KARNENDU BHATTACHARJEE: Will the Minister of FINANCE be pleased to state:

(a) whether more than half the members of the Board of Directors of the Peerless General Finance and Insurance Ltd. do not possess any professional qualifications;

(b) whether some time back the Cons. India HR. Services reported that three-fourth of the top management of the company was extremely poor below the bench mark level; and

(c) if so, the steps proposed to be taken to improve the quality of management in the interest of millions of investors of the company which is the largest non-banking financial institution in the country dealing with crores of public money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Reserve Bank of India has reported that the Peerless General Finance and Insurance Ltd. itself appointed the Cons. India HR. Services on 12.6.1997. The Cons. India HR. Services submitted its report to the company in May, 1998 in which such a remark was made against the Chief Executives of Administration, Development and Operation of the company. Subsequently, the company replaced them in a phased manner during 1998, 1999 and 2000 by professionally qualified personalities. Persently, there are 11 members in the Board of Directors of this company and most of them have professional qualification and are eminent personalities in their respective fields.

(c) The Reserve Bank of India is continuously monitoring the activities of this company to improve its financial health as well as quality of management.

Legislation on Bankruptcy Code

2518. SHRI C. O. POULOSE: Will the Minister of FINANCE be pleased to state:

(a) whether Government have been recommended for passing a new legislation on a comprehensive bankruptcy code and introduction of a professional bankruptcy institution known as a trusty;

(b) if so, what are the details thereof; and

(c) what is Government's reaction in this regard?